

**STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS**  
March 25, 2020

**SUBJECT:** Authorization of a Resolution of the Board of Governors (the “Board”) approving the issuance of debt by the Florida State University Seminole Boosters, Inc. to refinance College Town phase II

---

**PROPOSED BOARD ACTION**

Authorization of a resolution approving the issuance of fixed rate, taxable debt by the Florida State University Seminole Boosters, Inc. (the “Boosters”), in an amount not to exceed \$28,000,000 (the “Loan”) for the purpose of refinancing the debt on College Town phase II (“the Project”).

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance have reviewed this resolution and all supporting documentation. Based upon this review, it appears that the proposed financing is in compliance with Florida Statutes governing the issuance of university debt and complies with the debt management guidelines adopted by the Board of Governors. Accordingly, staff of the Board of Governors recommends adoption of the resolution and authorization of the proposed financing.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Florida Board of Governors Debt Management Guidelines; Section 1010.62, Florida Statutes; and Article IX, Section 7(d), Florida Constitution.

**BACKGROUND INFORMATION**

Unlike College Town phases I and III, the financing of phase II (the “Project”) has not come before the Board for review until now.

College Town is a three-phase mixed use development comprised of student housing, commercial/retail space and associated parking, located off-campus, but adjacent to campus, on property owned by a subsidiary of the Boosters. Initiated in 2011 with the groundbreaking for phase I, the development of College Town was concluded with the completion of phase III in early 2019. The Project (phase II) is comprised of 86 residential units (195 beds), approximately 21,000 square feet of commercial/retail space, and 544 parking spaces. Construction was completed and the facility was fully-operational during the 2016-17 academic year. Like its predecessor, phase I, the Project quickly leased-up and remains so today; current occupancy is 100% residential and commercial.

The proposed \$28M Loan will replace the original financing guaranteed by the developer associated with the construction of the Project; buyout the developer ownership interest; and fund, in part, the buyout of outside investors. The Boosters own 100% of phases I and III, and their goal is to acquire 100% ownership of phase II (the "Project").

The proposed Loan will have a term of 10 years, fixed rate, with level monthly debt service based on a 30-year amortization, and will be secured by a first lien pledge of net revenues from the Project as well as a first mortgage on the Project. Projections provided by the Boosters indicate that Project operations generate sufficient net revenues to pay debt service.

The University's Board of Trustees approved the Project and the financing thereof at its December 5, 2019, meeting.

The proposed refinancing was approved by the Booster's Board of Directors on January 30, 2020. The Booster's anticipate approval by the FSU Athletic Association, Inc. Board of Directors and the FSU Board of Trustees prior to the Board meeting.

---

**Supporting Documentation Included:** Information located in the Facilities Committee materials.